



the PIPELINE publication

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INDUSTRIAL COMMISSION OF NORTH DAKOTA PIPELINE AUTHORITY

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New Natural Gas Report Released

On October 22, 2013, the Pipeline Authority published a new report titled, *North Dakota Natural Gas: A Detailed Look at Natural Gas Gathering*. The challenges associated with natural gas flaring in North Dakota continue to linger and this report was designed to take a factual look at the progress being made to connect wells to gas sales options.

The report reflects the shifting momentum in Western North Dakota in favor of further expansion of natural gas gathering and processing. Bakken wells are being connected to gas infrastructure at the fastest rate in the state's history and the trend is not showing any sign of slowing down. Natural gas production from each well declines very rapidly and capturing the high initial production is paramount in the effort to reduce statewide flaring. The data in the report is clear that the industry has been very deliberate in their efforts to quickly connect high production new wells to gathering systems while temporarily allowing older, low volume wells to continue to flare. This strategic action will have the fastest impact in reducing the volume and percent of natural gas being flared.

One challenge ahead is the continued expansion of natural gas infrastructure that has been built in previous years. Our understanding of the Bakken/Three Forks continues to evolve and pipelines that were previously considered to be sufficient are quickly filling to capacity.

The road ahead for the gas gathering industry in North Dakota is long and will take a great deal of cooperation and patience between all stakeholders. Despite the inevitable challenges, North Dakota is positioned to have one of the most advanced oilfields in the world and a petroleum producing region that can be used as a model for other shale development around the United States.

The full report is available for free download at: <http://northdakotapipelines.com/natural-gas-study/>

NORTH DAKOTA — Production Numbers

∴ www.pipeline.nd.gov

Average Daily Oil Production, BOPD

June 2012	July 2013	Aug. 2013
822,109	875,962	911,496

Average Daily Gas Production, MMCFD

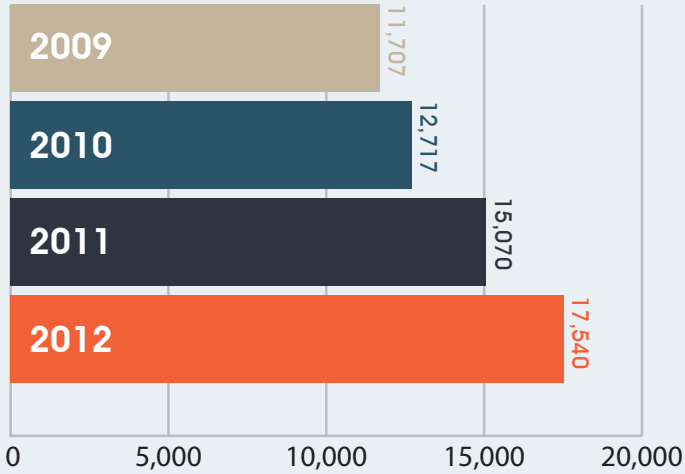
June 2012	July 2013	Aug. 2013
933.6	972.1	1,000.3

Average Rig Count

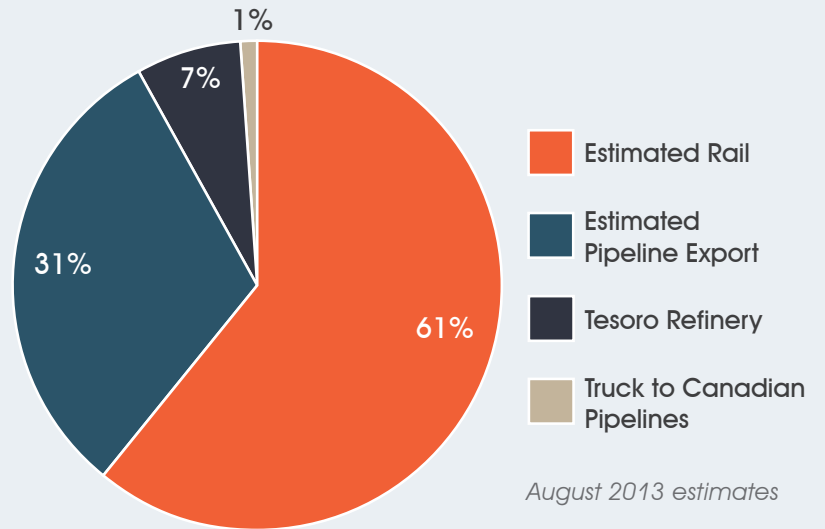
June 2012	July 2013	Aug. 2013
187	186	182

As of October 25, 2013, there are 182 active rigs in North Dakota.

Year-End Miles of Gathering and Transmission Pipeline in North Dakota



Estimated Williston Basin Oil Transportation

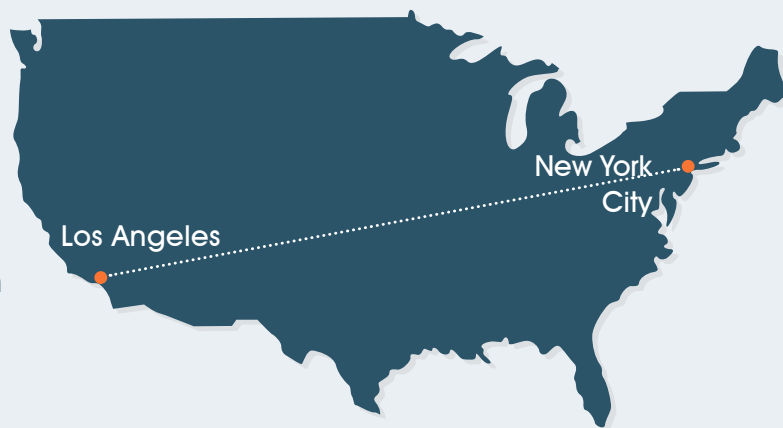


North Dakota Pipeline Authority

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PIPELINE FACTOID

In 2012 alone, **over 2,400 miles** of pipeline was placed into service in North Dakota. This is enough pipe to reach from Los Angeles to New York City.



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North Dakota Pipeline Authority

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